



Control Number: 47945



Item Number: 40

Addendum StartPage: 0

SENATOR KELLY HANCOCK
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SENATOR BRANDON CREIGHTON
VICE-CHAIRMAN



2018 FEB 14 PM 4:39
SENATE COMMITTEE ON
BUSINESS AND COMMERCE

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February 14, 2018

The Honorable DeAnn T. Walker
The Honorable Brandy Marty Marquez
The Honorable Arthur C. D'Andrea
Public Utility Commission of Texas
1701 N. Congress Ave.
Austin, Texas 78711

Dear Commissioners,

The recently enacted Tax Cuts and Jobs Act was designed to put money back into the pockets of both individual and business taxpayers. A fortunate byproduct of the federal measure is that consumers of electricity who acquire services from regulated electric utilities should experience savings in the form of lower rates. The Public Utility Commission has created an excellent opportunity to discuss how exactly those savings should be realized by ratepayers through its examination of Project No. 47945.

My office is aware that retail electric providers (REP) operating in the competitive areas of Texas will be instrumental in passing those savings on to millions of Texans. However, we understand that there is legal ambiguity within the Public Utility Regulatory Act regarding the authority of the Commission to require those REPs to pass through any referenced tax savings to consumers.

Before the Commission enters into any final agreement, order, or schedule for the distribution of funds related to tax savings, I feel it is very important that a public commitment be made on the part of all retail electric providers that they ultimately will flow the referenced money on to their consumers, who are ultimately entitled to it. Any deviation from that practice would result in legislative action to clarify the regulatory scope of the Commission during the upcoming 86th Regular Session.

Sincerely,

A handwritten signature in cursive script that reads "Kelly Hancock".

Kelly Hancock
Texas Senate, District 9
Chairman, Business & Commerce